REPORT
OF THE

STEERING COMMITTEE

TO THE

STANDING COMMITTEE
ON PUBLIC ACCOUNTS

MAY 1991

Second Session of the Fifty-Fifth General Assembly

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INTRODUCTION-

At the November 21, 1990 meeting of the Standing Committee on Public Accounts, a Steering Committee was struck..."to draft, after consultation with the respective caucuses, proposals for future functioning of the Committee.." [see Appendix I].

Membership:

Dr. William Gillis, M.L.A., Chairperson
Hon. Ronald Giffin, Q.C.
Hon. Marie Dechman, M.L.A.
Ms. Alexa McDonough, M.L.A.

Ms. Dianne M. Stillman, Clerk

Procedures:

The Committee met on the following dates:

December 12, 1990
January 23, 1991
February 13, 1991
April 17, 1991
April 24, 1991

and met with the Standing Committee on Public Accounts to discuss this report, on the following dates:

May 1, 1991
May 8, 1991
May 15, 1991

The Auditor General appeared briefly before the Committee on January 23, and April 17 to clarify his position on various suggestions for procedural change.

Report to the Public Accounts Committee:

This report is for the perusal, consideration and, subsequent approval, of the Standing Committee on Public Accounts. If deemed appropriate, the report will be publicly distributed, upon request.

Acknowledgments:

The Steering Committee wishes to extend its appreciation to the Auditor General for his cooperation and assistance. The Committee would also like to acknowledge, with thanks, the valuable contribution made by its Clerk, Ms. Dianne Stillman.

STATEMENT OF THE STEERING COMMITTEE

Honourable Members:

We, the undersigned, acting upon the direction of the Standing Committee on Public Accounts and the suggestions of the Auditor General, have undertaken a study into methods of operation of public accounts committees throughout Canada, with a view to improving upon the procedures used by our own committee.

During this process, the Guidelines for Public Accounts Committees in Canada, a publication of the Canadian Council of Public Accounts Committees, was an invaluable source.

Therefore, we respectfully submit the following proposals for procedural changes, for your consideration.

PLEASE NOTE:
This report was approved by the full Standing Committee on Public Accounts on - May 15, 1991

Dr. William Gillis, M.L.A.
Chairperson

Hon. Ronald Giffin, Q.C.

Hon. Marie Dechman, M.L.A.

Alexa McDonough, M.L.A.

May 1991

Proposals

The Steering Committee, after careful deliberation, respectfully suggests that the Standing Committee on Public Accounts adopt the following procedures, to enable it to function in a more effective and efficient manner:

A. MANDATE

"....to hold the government (including crown corporations and other agencies) accountable to the Legislature for the administration of public assets and spending of public funds."

B. ROLE OF A SUB-COMMITTEE

A sub-committee shall be established by the Public Accounts Committee to undertake the task of drafting reports, including recommendations. These reports, would require the approval of the full PAC before being tabled.

C. CONDUCT OF MEETINGS

Meetings/Hearings:

-the Chairperson shall be responsible for calling meetings/hearings to order.

-the subject will be introduced by the Chairperson;

-the witnesses, including the Auditor General, shall be given the opportunity to make some brief remarks about the matter prior to members asking questions;

-members of the Committee shall ask questions in some predetermined order for a predetermined period of time;

-time limits will be used as a guide by members and not strictly enforced when questioning witnesses. In order for this approach to be successful, members shall cooperate and agree not to take up unreasonable amounts of time, and shall allow other members to join in the questioning at any time on the same lines. Members shall have the opportunity to bring all productive lines of questioning to their conclusion;

-all witnesses shall be given the opportunity to fully respond to questions and be given the option of providing answers in writing at a later date if they do not know the answers to questions;

-members shall refrain from lengthy debates of issues at public hearings as the main purpose is to obtain information by questioning witnesses;

-matters arising during public hearings requiring a vote or lengthy debate will be set aside until the hearing is over.

-where appropriate, the Chairperson shall summarize key points brought out in the hearing, and shall highlight the content and objectives of the next meeting.

Motions:

-motions for major items will be deferred to the next meeting, to allow members time to think about them, unless the Committee decides otherwise.

-motions will always be used when requesting the Auditor to conduct an investigation, inquiry, or review of some matter.

-the vote on motions will only be recorded when requested.

D. ROLE OF THE AUDITOR GENERAL
-Relationship with the PAC

A good working relationship will make it easier for the Committee to do its job.

Therefore,

-the Auditor General, or his/her designate, shall be invited to be present at all hearings of the Committee.

-the Committee shall be able to ask the Auditor General to review and report back on items that are not specifically related to his/her report. Such requests, however, must not interfere with the Auditor's primary responsibilities.

SUGGESTION: The Auditor General Act should be revised to reflect the above procedures.

-detailed agendum will be prepared by the Chairman, in consultation with members from each party, in advance of the Auditor General's appearance before the Committee, to allow him/her to adequately prepare.

E. APPOINTMENT AND ACCOUNTABILITY OF THE AUDITOR GENERAL

Appointment of Auditor General:

The Auditor General shall be appointed by the following process:

The key approach with respect to the hiring process for the Auditor General should be that the manner is professional and non-partisan.

Because the Auditor General is responsible to scrutinize elected and staff persons in government, there should be no impression of influence in the hiring process.

Because the position is a senior one and requires a C.A. with leadership and interpersonal skills, it is a challenge to fill. The person needs to be highly motivated and have a practical understanding of government.

The Executive Council shall retain a search/selection/recruitment firm with a major professional stature to:

a) prepare needs description
b) place advertisement
c) scrutinize preliminary candidates
d) prepare short list

Have all-party agreement on:

-The general composition of a Selection Committee of 3 to 5 persons.

-Have this Committee, together with the professional firm, referred to above, finish screening, conduct interviews and make a recommendation.

-The name of the recommended person should be taken to the Speaker and Leaders of all recognized Parties for discussion on a non-partisan basis.

-Appointment shall be pursuant to Section 3 of the Auditor General Act.

Appointment of the Deputy Auditor General:

The same process will be followed in the appointment of the Deputy Auditor General, with the exception that the Auditor General shall take part in the interview process.

Request for Audit:

The Auditor General Act will clearly define the right of the Public Accounts Committee to request the Auditor General to undertake in-depth audits or reviews. Other committees of the Legislature shall be given the right to refer their concerns for special audits to the Public Accounts Committee for consideration. Such requests will not take precedence over the Auditor General's primary responsibilities.

SUGGESTION: The Auditor General Act should be revised to reflect the above procedures.

F. COMMITTEE REPORTS

-the Committee will report annually to the House.

-the report will contain conclusions and recommendations.

-the report will contain a specific request for the government to table a comprehensive response.

-the Committee will follow-up on its recommendations to see that they are properly implemented.

G. FOLLOW-UP

To assist in following up on recommendations, the Public Accounts Committee shall have the right to draw upon the expertise of the Office of the Auditor General.

The Auditor General would report back to the Committee, within a reasonable amount of time, on the extent, if any, of the implementation of recommendations.

The Public Accounts Committee would then decide to request that an in-depth audit be performed by the Auditor General or that witnesses should be recalled, or both.

SUGGESTION: The Auditor General Act should be revised to reflect the above procedures.

H. RESOURCES

In order to function in a responsible and efficient manner, the Public Accounts Committee should be afforded the necessary resources.

Exclusive jurisdiction over the resources of the Public Accounts Committee (and if deemed necessary, other Legislature Committees) shall be given to the Internal Economy Board.

Staff-

Due to the nature and complexity of its work, the Public Accounts Committee requires the equivalent of at least one full-time staff person - an increase of 50% over its current resources.

Currently, the Legislature Committees Office is experiencing a staff shortage and, under the present circumstances, cannot provide one full-time person for the use of the Public Accounts Committee. (See Appendix II)

The Office of the Speaker is asked to immediately refer this matter to the Internal Economy Board.

Budget-

The Public Accounts Committee should be provided with the funds necessary to complete its mandate in a responsible manner.

A budget proposal shall be prepared annually by the Public Accounts Committee for the approval and implementation by the Internal Economy Board.

Additional Requirements -

At the Public Accounts meeting of November 21, the Auditor General stated that his office would not require additional staff to accommodate the needs of the Public Accounts Committee.

It may be necessary, however, for the Public Accounts Committee to periodically draw upon the expertise of consultants on a variety of complex issues. Funds should be allocated for this eventuality.

APPENDICES

APPENDIX 1

House of Assembly
Nova Scotia

MOTION:
Made by Ms. Alexa McDonough, M.L.A.
Member
Standing Committee on Public Accounts

That...

The Public Accounts Committee strike a Steering Committee, with representation from each of the recognized political parties to draft, after consultation with the respective caucuses, proposals for future functioning of the Committee including,

1. a clear statement of mission or mandate;

2. set of effective procedures to address:

    a) meeting format
    b) agenda setting
    c) role of the Auditor General
    d) appointment and accountability of the Auditor General
    e) reporting
    f) follow-ups

3. Allocation of resources to ensure the capacity to carry out its mandate and responsibilities.

Meeting of the
Standing Committee on Public Accounts
Wednesday, November 21, 1990
Witness: The Auditor General of Nova Scotia

APPENDIX II

Legislature Committees Office
House of Assembly

3rd Floor, Dennis Bldg.
1740 Granville Street
P.O. Box 2630, Stn. "M"
Halifax, N.S. B3J 3N5

(902) 424-4432/4494
Fax: 424-0513

November 22, 1990

Mr. S. Myles Rector
Director of Administration
Office of the Speaker
7th floor - One Government Place
1700 Granville Street
Halifax

RE: Requirement for Additional Qualified Staff

Dear Myles

As you are aware, the workload of the Legislature Committees Office has grown dramatically since its inception in 1986. However, the number of qualified staff has not increased. We would appreciate your assistance in obtaining an additional staff member - preferably one who has had several years (minimum of ten) of experience in a senior secretarial capacity, who can independently assume the duties associated with the operation of up to three legislature committees.

At present, we have been temporarily assigned a casual person, whose duties include photocopying, filing and running messages. Although classified as such by the Civil Service Commission, it should be pointed out that this person is not a qualified secretary and does not have the level of experience or maturity required to take on the responsibility of a legislature committee.

To give you an example of the current workload:

Standing Committee on Human Resources
Chairman: Jerry Lawrence, M.L.A.

The Committee has undertaken to study the needs of exceptional (gifted) children within the Nova Scotia education system. In the coming weeks, the following must be done:

a) setting up of public forums to hear from the following groups (including the preparation of briefing materials)-

-Senior Officials, Dept. of Education
-Deans of Education
-Nova Scotia Teachers' Union

-Nova Scotia School Boards' Association
-High School Students who have experienced an exceptional learners' program

b) arranging with the Dartmouth School Board for the Committee to visit a class of gifted children.

c) arranging for the visit of an expert in the field who resides in Illinois:

-obtaining approval from the Speaker

and, depending on that approval:

-co-ordinating an appropriate time and venue for the expert
-making travel and speaking arrangements for the expert
-obtaining and distributing briefing material to the Committee members in advance

d) disseminating a large volume of material (presentations as well as transcripts of all hearings) to arrive at a comprehensive list of recommendations made by all interested parties.

e) preparing a questionnaire to be circulated to all participants for further input on the recommendations of the total group.

f) analysing the completed questionnaires and putting together a package for the members so that they are aware of the perceived pros and cons of each recommendation, as well as additional comments.

g) setting up of working meetings to allow members to determine which of the recommendations will be included in their report.

h) drafting and redrafting the report which is to be tabled with the Minister of Education.

All of the above must be completed before prorogation in late February and is in addition to similarly extensive workloads for the following Committees:

-Select Committee on Bill No. 99 (Workers' Compensation)
-Commission on the Remuneration of Provincial Elected Officials
-Standing Committee on Public Accounts
-Sub-Committee on Public Accounts
-Standing Committee on Community Services

In addition, we are often called upon to take on other projects, such as the annual hotel survey, the United Way Campaign and regular statistical surveys for the Canadian Council of Public Accounts Committees.

We wish to bring to your attention that our responsibilities prevent us from using our vacation entitlements. When the new Session is underway, our accumulated vacation days will be:

Mrs. Kelly (at a rate of 20 days/annum) - 50 days

Ms. Stillman (at a rate of 15 days/annum) - 31 days

and we have no indication that we will ever be able to take this time off. As a result of this and several hundred hours of accumulated overtime per year, we are approaching exhaustion.

Based on past experience, we fully expect our workload to increase during the next session, when the remainder of the committees will be reactivated.

Our commitment to our work and to our committees is very strong. However, we feel our resources are being spread too thin and we will soon be unable to provide each committee with the support they need. Regrettably, if we are unable to obtain an additional qualified person, we will be forced to give priority to some committees and some projects and others will receive only that support which we can spare, if any.

We look forward to hearing from you in this regard.

Sincerely

Dianne M. Stillman
Legislature Committees Clerk

Joan M. Kelly
Legislature Committees Clerk

c.c. Chairmen of Standing and Select Committees of the House of Assembly:

Dr. Bill Gillis, M.L.A.
Allan Mosher, M.L.A.
Jerry Lawrence, M.L.A.
Derrick Kimball, M.L.A.
Leroy Legere, M.L.A.
Hon. Ronald Russell, M.L.A.

SUMMARY

REVISIONS TO THE AUDITOR GENERAL ACT, 1973

The following is a summary of suggestions, that appear in preceding pages of this report, for revisions to the Auditor General Act.

Responsibility to the Public Accounts Committee

a) At the request of the Public Accounts Committee, the Auditor General undertake special in-depth audits or reviews that are not specifically related to his/her report, provided however, that such requests do not interfere with the Auditor's primary responsibilities.

b) Other Committees of the Legislature shall be given the right to refer their concerns regarding special audits to the Public Accounts Committee, which will consider referral of such items to the Auditor General.

c) The Public Accounts Committee shall have the right to draw upon the expertise of the Office of the Auditor General, in the follow-up of recommendations contained in the Committee's annual report, as follows:

-the Auditor General shall, within a reasonable length of time, report back to the Committee on the extent of the implementation of such recommendations.

-the Auditor General, if it is the wish of the Public Accounts Committee, may be requested to conduct an in-depth audit of departments or areas of government that have not acted upon the recommendations of the Committee.

Appointment Process - Auditor General

The Executive Council shall retain a search/selection/recruitment firm with a major professional stature to:

a) prepare needs description
b) place advertisement
c) scrutinize preliminary candidates
d) prepare short list

Have all-party agreement on:

-The general composition of a Selection Committee of 3 to 5 persons.

-Have this Committee, together with the professional firm, referred to above, finish screening, conduct interviews and make a recommendation.

-The name of the recommended person should be taken to the Speaker and Leaders of the Recognized Parties for discussion on a non-partisan basis.

-Appointment shall be pursuant to Section 3 of the Auditor General Act.

Appointment Process - Deputy Auditor General

a) The same procedure as with the Auditor General shall be followed, with the exception that the Auditor General would participate in the interview process.

Language

Language in the Auditor General Act should be revised in areas referring to gender, to more accurately reflect the possibility of either a male or female Auditor General.

SUMMARY

GOVERNMENT ACTION REQUESTED

The following is a summary of recommendations, that appear in preceding pages of this report, requiring the consideration of Government.

Appointment of the Auditor General

The Government is asked to immediately start the selection process to hire an Auditor General, as set out in APPENDIX III-a.

Auditor General Act

The Government is asked to note APPENDIX III-a, *Revisions to the Auditor General Act.*

Office of the Legislative Counsel

The Legislative Counsel is asked to immediately address the recommendations contained in APPENDIX III-a, *Revisions to the Auditor General Act.*

Internal Economy Board

The Government is asked to consider that exclusive jurisdiction over the resource requirements of the Public Accounts Committee (and, if deemed necessary, all Legislature Committees) be given to the Internal Economy Board.

Office of the Speaker

The Public Accounts Committee requires the equivalent of at least one full-time staff person - an increase of 50% over its current resources. The Office of the Speaker is asked to immediately refer the Committee's request for additional staff to the Internal Economy Board.